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### *Response to the MCE SCO National Energy Customer Framework*

The Alternative Technology Association (ATA) welcomes the opportunity to provide comment on the policy response by the Ministerial Council of Energy's (MCE) Standing Committee of Officials (SCO) to the recommendations prepared by Allens Arthur Robinson (AAR) to assist in developing the National Energy Customer Framework.

ATA is a not-for-profit organisation established in 1980 to promote the uptake of sustainable technologies in order to protect our environment. The organisation provides service to over 4500 members, who are actively promoting sustainability in their own homes by using good building design and implementing water conservation and renewable energy technologies. ATA advocates in both the government and industry arena for ease of access and continual improvement of these technologies, as well as the production and promotion of information and products needed to change the way we live.

As Australia's premier member-based organisation representing early-adopters of renewable energy systems, ATA is in a unique position to highlight the implications for small-scale embedded generators of the move towards a national framework for distribution and retail regulation and represent the concerns of this small but growing sector of the market.

ATA is a member of the *National Consumers Roundtable* and as such, provides the individual comments below in the context of the broader submission by the Roundtable attached to this document.

### *Process for New Rules for Embedded Generation (1.37)*

ATA recognises the Committee's intention that the contractual arrangements between distributors and embedded generators will be subject to the outcomes of the economic regulation work streams of the MCE, currently being managed by the Network Policy Working Group (NPWG).

At this stage, ATA would simply reiterate the importance of the *Code of Practice for Embedded Generation (CoPEG)*, developed by the *Renewable and Distributed Generation Working Group*. CoPEG outlines the vital components of any subsequent Rules relating to embedded or distributed generation and is essential to give certainty to proponents of distributed generation. Once again, ATA firmly believe that the development of new Rules should be subject to the usual AEMC rule change process, rather than being promulgated by Ministerial order.

### *Discrimination Based on Customer Supply or Use of Alternative Energy Sources (2.38)*

ATA has significant concerns regarding the Committee's response to the potential for discrimination by retailers to alternative energy sources. Discrimination by retailers through market contract offers has been a consistent experience of ATA members. In undertaking research for the report *"Impediments to Grid Connection of Solar Photovoltaic: The Consumer Experience"*, the ATA uncovered numerous examples of individuals who, after installing distributed micro-generation at their premises and seeking grid-connection, found themselves on market contracts with terms and conditions which were significantly less attractive than their original market contract. In fact, a number of customers even found themselves with increased retail bills, even after taking into account the credit they were receiving for electricity fed into the grid from their micro-generation system.

It is clear that there a number of retailers, whilst happy to accept a grid-connected contract with individuals, have been limiting the customers choice of available retail market contracts, thus discriminating against this class of customer.

It is essential that explicit provision be made in the Rules to protect customers who supply or use alternative forms or sources of energy, or services that reduce the demand for energy. The current response by the Committee that alternative energy sources “*must be supplied according to the standard retail contract*” does not provide sufficient certainty for this class of customer and is in fact contrary to current experience. ATA does not believe that there is anything in the Rules or the Framework which guarantees this outcome.

ATA believe that without a specific requirement under the legislation, that retailers will define these consumers as ‘non-standard’ and continue to limit their choice of market contracts.

### *Further Contact*

ATA welcomes the opportunity to discuss any aspect of this submission. Please direct any questions or further correspondence to Damien Moyse on 9631 5405 or [Damien.Moyse@ata.org.au](mailto:Damien.Moyse@ata.org.au)

Yours sincerely,

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